

**Settlement Agreement  
FERC Docket No. EL04-108  
Seller's Choice Proceeding**

This Settlement Agreement is made and entered into by and among the Department of Water Resources, an agency of the State of California with respect to the Department of Water Resources Electric Power Fund separate and apart from its powers and responsibilities with respect to the State Water Resources Development System, Calpine Energy Services, L.P., Power Contract Financing, L.L.C. and Gilroy Energy Center, LLC.

**RECITALS**

WHEREAS, CDWR and Calpine previously entered into four power purchase and sale agreements (as defined below, Calpine 1, Calpine 2, Calpine 3 and Calpine 4); and

WHEREAS, Calpine 1 has been assigned to PCF; and

WHEREAS, Calpine 3 has been assigned to Gilroy; and

WHEREAS, Calpine 1, Calpine 2, Calpine 3 and Calpine 4 have been identified as contracts potentially within the scope of the matters to be addressed in the Seller's Choice Proceeding;

WHEREAS, CDWR, Calpine and PCF agree that Calpine 1 is within the scope of matters set for hearing in the Seller's Choice Proceeding;

WHEREAS, CDWR and Calpine agree that Calpine 2 is within the scope of matters set for hearing in the Seller's Choice Proceeding;

WHEREAS, CDWR, Calpine and Gilroy agree that Calpine 3 is best addressed outside of the Seller's Choice Proceeding; and

WHEREAS, CDWR and Calpine agree Calpine 4 is not within the scope of matters set for hearing in the Seller's Choice Proceeding; and

WHEREAS, the CAISO Board of Governors on January 27, 2005 approved the filing of a comprehensive conceptual design for the Physical Validation Rule with FERC for approval; and

WHEREAS, the Parties desire to settle the Seller's Choice Proceeding as it relates to Calpine 1, Calpine 2, Calpine 3 and Calpine 4;

NOW, THEREFORE, in consideration of the foregoing, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

## AGREEMENT

1. Definitions. The following capitalized terms, when used in this Settlement Agreement, including the Exhibits, shall have the meanings specified in this Section 1. All capitalized terms used, but not otherwise defined herein, shall have the meaning given to them in Calpine 1 and/or Calpine 2, as applicable.

1.1 "Amendment 1" means the Amendment to Calpine 1 of near or even date herewith, in the form attached hereto as Exhibit A, between CDWR and PCF.

1.2 "Amendment 2" means the Amendment to Calpine 2 of near or even date herewith, in the form attached hereto as Exhibit B, between CDWR and Calpine.

1.3 "Business Day" has the same meaning as provided in California Civil Code Section 9.

1.4 "Calpine" means Calpine Energy Services, L.P., a Delaware limited partnership.

1.5 "Calpine 1" means the Master Power Purchase and Sale Agreement Amended and Restated Confirmation letter between PCF, as Calpine's assignee, and CDWR dated April 22, 2002, as amended, for 350-1000MW of Product 1 at \$58.60 per MWh, and varying amounts of Product 2.

1.6 "Calpine 2" means the Master Power Purchase and Sale Agreement Amended and Restated Confirmation letter between Calpine and CDWR dated April 22, 2002, as amended on October 23, 2003 and October 29, 2003, for 1000MW of Product 1 at \$59.60 per MWh and varying amounts of Products 2, 3 and 4.

1.7 "Calpine 3" means the Master Power Purchase and Sale Agreement Amended and Restated Confirmation letter between Gilroy, as Calpine's assignee, and CDWR dated April 22, 2002 for 450-495 MW of energy dispatchable from units identified in the agreement.

1.8 "Calpine 4" means the Master Power Purchase and Sale Agreement Amended and Restated Confirmation letter between Calpine and CDWR dated April 22, 2002 for varying amounts of unit firm energy, which agreement is scheduled to terminate prior to the proposed date for implementation of LMP.

1.9 "CDWR" means Department of Water Resources, an agency of the State of California with respect to the Department of Water Resources Electric Power Fund separate and apart from its powers and responsibilities with respect to the State Water Resources Development System.

1.10 "Effective Date" means the date the Parties have executed this Settlement Agreement as set forth below.

1.11 "Gilroy" means Gilroy Energy Center, LLC, a Delaware limited liability company.

1.12 "Inter-SC Trades" means scheduling coordinator to scheduling coordinator trades of energy within the CAISO system.

1.13 "LMP" or "LMP System" means a transmission congestion management system that uses security-constrained unit commitment and dispatch to assign prices to energy at Nodes on the transmission system based upon balanced resources and loads.

1.14 "Motion" shall have the meaning set forth in Section 3.2 of this Settlement Agreement.

1.15 "Nodes" means the LMP nodes, as may be modified by CAISO from time to time, assigned by CAISO to physical locations on the transmission grid controlled by CAISO within the geographic boundaries of the CAISO congestion management zone on North Path 15 as of April 6, 2005.

1.16 "Offer of Settlement" shall have the meaning set forth in Section 5 of this Settlement Agreement.

1.17 "Parties" means: (i) as to Calpine 1, CDWR and PCF; (ii) as to Calpine 2 and Calpine 4, CDWR and Calpine; (iii) as to Calpine 3, CDWR and Gilroy; and as to this Settlement Agreement, Calpine, PCF, Gilroy and CDWR.

1.18 "Party" means CDWR, Calpine, Gilroy, or PCF as the context of such reference suggests.

1.19 "Physical Validation Rule" means the market rule that imposes a physical trade validation requirement on Inter-SC Trades at Nodes as identified, described and defined in the CAISO's March 15, 2005 filing with FERC pursuant to Section 205 of the FPA in Docket No. ER02-1656-025.

1.20 "PCF" means Power Contract Financing, L.L.C., a Delaware limited liability company.

1.21 "Seller's Choice Proceeding" means the FERC proceeding in *Public Utilities Providing Service in California under Sellers' Choice Contracts*, Docket No. EL04-108-000 *et al.*

1.22 "TAPAS" means Transitional Alternative Pricing and Settlement as generally described in the CAISO's October 13, 2004, white paper entitled "Transitional Alternative Pricing and Settlement (TAPAS) Approach to Locational Marginal Pricing (LMP)," and as may be further defined in CAISO rules, protocols or tariffs.

2. Amendments.

2.1 Amendment of Calpine 1. PCF and CDWR agree to enter into Amendment 1, subject to the terms and conditions of this Settlement Agreement.

2.2 Amendment of Calpine 2. Calpine and CDWR agree to enter into Amendment 2, subject to the terms and conditions of this Settlement Agreement.

3. Settlement Conditions.

3.1 Effectiveness of Settlement Agreement; Conditions to Effectiveness of Amendment 1 and Amendment 2. (a) This Settlement Agreement shall be effective on the Effective Date and shall continue in force unless or until terminated as provided herein. Amendment 1 and Amendment 2 shall be effective on the "Amendment Effective Date," as that term is defined in Amendment 1 and Amendment 2 respectively, subject to the terms and conditions of this Settlement Agreement and Amendment 1 and Amendment 2, as applicable.

(b) Within thirty (30) days after the Effective Date, counsel to PCF shall provide CDWR with an opinion dated as of the date on which all of the Required PCF Approvals (as defined below) are satisfied, in form and substance reasonably satisfactory to CDWR, to the effect that all statutory and regulatory consents and approvals, if any, that are required under applicable laws of the United States and any state or political subdivision thereof, and all other necessary consents and approvals of third parties that are required, in each case to authorize PCF to enter into this Settlement Agreement and Amendment 1 and the transactions contemplated therein have been obtained (collectively, the "Required PCF Approvals") and that PCF has the authority to enter into this Settlement Agreement and Amendment 1, and which provides (1) the underlying documents that form the bases for the opinions set forth therein, and (2) the written approval(s) if any, PCF has obtained. If such conditions have not been satisfied or so waived in writing within thirty (30) days following the Effective Date (as such date may be extended from time to time by written agreement of the parties), then this Settlement Agreement shall be of no further force or effect, and Amendment 1 and Amendment 2 shall not become effective on the Amendment Effective Date.

(c) Calpine and PCF agree to use commercially reasonable efforts to obtain all Required PCF Approvals within thirty (30) days following the date on which this Settlement Agreement is executed; provided, however, that Calpine and PCF shall be under no obligation to pursue any Required PCF Approvals unless and until PCF has received a binding commitment, in form and substance reasonably satisfactory to Calpine, from the Morgan Stanley affiliate that is party to the power purchase agreement entered into with PCF (the "Existing Morgan Stanley PPA") that, concurrently with the Amendment Effective Date for Amendment 1, the Existing Morgan Stanley PPA will be amended in a manner substantively identical to Amendment 1.

3.2 Seller's Choice Proceeding. The Parties agree to jointly file with the FERC, at the same time that the Offer of Settlement described in Section 5 of this Settlement Agreement is filed, a Motion, substantially in the form attached hereto as Exhibit C, to hold

the Seller's Choice Proceeding in abeyance as to Calpine 1 and Calpine 2, pending FERC's review and approval of the Physical Validation Rule as part of CAISO's tariff.

3.3 Modified Physical Validation Rule Subject to Approval of the Parties. This Settlement Agreement is conditioned on FERC approval, prior to the implementation of LMP, of the Physical Validation Rule without modification or condition unacceptable to any Party. In the event that FERC rejects the Physical Validation Rule or approves or accepts the Physical Validation Rule subject to modification or condition unacceptable to any Party, this Settlement Agreement shall be of no further force or effect, Amendment 1 and Amendment 2 shall not become effective on the Amendment Effective Date, and, unless the Parties otherwise agree, the Seller's Choice Proceeding as it relates to Calpine 1 and Calpine 2 shall be allowed to resume; provided, however, that in the event FERC approves a modified version of the Physical Validation Rule, the Parties shall, if the modified Physical Validation Rule as approved by FERC is mutually acceptable to the Parties, amend Calpine 1 and Calpine 2 to make the modified Physical Validation Rule as approved by FERC applicable to Calpine 1 and Calpine 2. The Parties do not waive any claim or right in the Seller's Choice Proceeding concerning the issues that are the subject of this Settlement Agreement in the event FERC rejects the Physical Validation Rule.

3.4 Support for Physical Validation Rule. CDWR and Calpine shall support, whether in filings and proceedings before FERC or during any stakeholder process at CAISO, the approval and implementation of the Physical Validation Rule and shall not assert publicly or in filings, including in the stakeholder process at CAISO and in proceedings before FERC, any position materially inconsistent or contrary to any aspect of the Physical Validation Rule as filed by CAISO; provided, however, that in the event CAISO publicly announces a delay in the implementation of LMP beyond December 31, 2009, the obligation of CDWR and Calpine to support the Physical Validation Rule under this Section 3.4 shall cease at the time of such announcement; and provided further, that after the termination of Calpine 1 and Calpine 2, Calpine may seek the elimination of the Physical Validation Rule effective no earlier than July 1, 2012. With the exception of the agreements set forth in this Section 3.4, nothing in this Settlement Agreement shall be construed as limiting the rights of a Party to take positions on CAISO market design issues, including issues pertaining to the nature and scope of LMP, the definition of Nodes and the Trading Hubs (e.g., whether such Trading Hubs are determined through a simple or weighted average), or implementing the Physical Validation Rule in a manner that (i) minimizes complexity, (ii) maximizes market liquidity and efficiency, (iii) is compatible with broker markets, (iv) would not preclude virtual bidding if such bidding were implemented by CAISO in the future, (v) requires transparency of transmission outage and repair information, (vi) provides a mechanism for the scheduling coordinator to correct mistakes or rearrange schedules to overcome failed validations, (vii) clarifies the CAISO definition of "transmission feasible", (viii) ensures the fairness of CAISO procedures for invalidating trades in the event that the CAISO's validation screen(s) is not satisfied, (ix) ensures availability of accurate and timely Operational Transfer Capability (OTC) data to Scheduling Coordinators and/or (x) does not prevent parties from effecting Inter-SC Trades at transmission interties, insofar as such positions in items (i) through (x) are not directly in opposition to, or would not, in that Party's good faith judgment, be so inconsistent or incompatible with the Physical Validation

Rule as to lead to a modification of the principal characteristics of, or disapproval of, the Physical Validation Rule. In addition, the Parties shall be permitted to participate in any process, whether by regulatory filings or otherwise, involving the promulgation of the CAISO tariffs wherein the Physical Validation Rule would be implemented so long as such positions are not directly in opposition to, or would not, in that Party's good faith judgment, be so inconsistent or incompatible with the Physical Validation Rule as to lead to a modification of the principal characteristics of, or disapproval of, the Physical Validation Rule.

3.5 Third Party Proceedings Concerning Physical Validation Rule. Except as provided in Section 3.4, in the event any proceeding is initiated by CAISO, FERC or any third party before CAISO, FERC and/or in some other fora, to eliminate and/or materially modify the Physical Validation Rule, each Party agrees that it shall not support in any way any such effort to eliminate and/or materially modify the Physical Validation Rule. In addition, if any Party prepares written opposition to any such effort to eliminate and/or materially modify the Physical Validation Rule, then, upon the request of the Party preparing such written opposition, the other Parties shall either join in such written opposition, or file their own written opposition and take such other reasonable actions to oppose as such Party determines in its discretion are not unduly burdensome; provided, however, that nothing in this sentence requires any Party to take any action (1) other than submitting its own opposition, or joining in the requesting Party's written opposition, or (2) that is inconsistent with this Settlement Agreement. The Parties' obligations under this Section 3.5 shall cease on the earlier of (i) CAISO's public announcement of a delay in the implementation of LMP beyond December 31, 2009, or (ii) July 1, 2012.

3.6 TAPAS. This Settlement Agreement shall be of no further force or effect in the event that CAISO implements TAPAS or otherwise abandons the implementation of LMP prior to January 1, 2010.

4. No Global Settlement. The Parties acknowledge and agree that this Settlement Agreement is intended to address solely the Seller's Choice Proceeding as it relates to Calpine 1, Calpine 2, Calpine 3 and Calpine 4 and is not intended as a global settlement and shall not result in the resolution or dismissal of any other existing or future dispute between the Parties. Nor is this Settlement Agreement intended to restrict any Party's ability to participate in the Seller's Choice Proceeding as it relates to contracts other than Calpine 1, Calpine 2, Calpine 3 and Calpine 4. Except as necessary to implement the foregoing provisions, all provisions in Calpine 1, Calpine 2, Calpine 3 and Calpine 4 shall otherwise remain unchanged and the Parties reserve all rights, arguments and positions concerning the correct interpretation of those provisions.

5. Offer of Settlement. The Parties agree jointly to file an offer of settlement pursuant to Rule 602 of FERC's Rules of Practice and Procedure, 18 C.F.R. § 385.602, substantially in the form attached hereto as Exhibit D (the "Offer of Settlement"), not more than twenty-five (25) days after the date of CAISO's filing of the Physical Validation Rule for acceptance by FERC pursuant to Section 205 of the FPA; provided, however, that the Parties may jointly agree to extend this deadline as appropriate. The Parties agree that the Offer of Settlement shall incorporate this Settlement Agreement by reference and shall state

that the effectiveness of this Settlement Agreement and the execution of the Amendments are contingent upon FERC's approval of the Offer of Settlement and the Physical Validation Rule. If the Parties do not file the Offer of Settlement by the deadline prescribed by this Section 5, this Settlement Agreement shall be of no further force or effect, and, unless the Parties otherwise agree, the Seller's Choice Proceeding as it relates to Calpine 1 and Calpine 2 shall be allowed to resume.

6. Dismissal of Calpine 3 and Calpine 4. Within 5 days after the Effective Date, Calpine, Gilroy and CDWR shall file a motion, in the form attached hereto as Exhibit E (the "Motion to Dismiss"), to dismiss Calpine 3 and Calpine 4 from the Seller's Choice Proceeding. Because Calpine 3 is best addressed outside of the Seller's Choice Proceeding, and Calpine 4 is not within the scope of the issues set for hearing in the Seller's Choice Proceeding, Calpine and CDWR agree that the filing of the Motion to Dismiss shall not be subject to any condition other than the execution of this Settlement Agreement.

7. Representations and Warranties. Except as otherwise expressly provided in this Settlement Agreement, each Party hereby represents and warrants that (i) the execution, delivery and performance by such Party of this Settlement Agreement has been duly authorized and all necessary action has been taken by such Party in connection with such authorization; (ii) this Settlement Agreement does not and will not require any consent or approval of, notice to or action by, any person or entity in order to be effective and enforceable; and (iii) when executed and delivered by such Party, this Settlement Agreement will constitute a legal, valid and binding obligation of such Party that is enforceable against it in accordance with the terms hereof and thereof.

8. Miscellaneous.

8.1 Cooperation. The Parties agree to cooperate in connection with making any other filings or taking any other actions required to allow the Parties to proceed as contemplated herein.

8.2 Notices. All notices, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given: (i) when personally delivered; (ii) upon actual receipt (as established by confirmation of receipt or otherwise), during normal business hours, otherwise on the first (1<sup>st</sup>) Business Day thereafter, if transmitted by facsimile with confirmation of receipt; (iii) on the date of receipt when mailed by certified mail, return receipt requested, postage prepaid; or (iv) on the first (1<sup>st</sup>) Business Day thereafter when sent by overnight courier; in each case, to the addresses set forth in Section 8.3, or to such other addresses as a Party may from time to time specify by notice to the other Party given pursuant to this Section 8.2.

8.3 Parties' Addresses. Notices required under this Settlement Agreement shall be delivered to:

**If to CDWR:**

Peter S. Garris  
Deputy Director  
California Department of Water Resources  
3310 El Camino Avenue, Suite 120  
Sacramento, CA 95821  
Telephone: (916) 574-2733  
Fax: (916) 574-0301  
E-Mail: pgarris@water.ca.gov

*With a copy to:*

Office of the Chief Counsel  
1416 Ninth Street, Room 1118  
Sacramento, CA 95814  
Telephone: (916) 653-7084  
Fax: (916) 654-9822  
E-Mail: nsaracin@water.ca.gov

**If to Calpine:**

General Counsel  
Calpine Corporation  
50 W. San Fernando Street  
San Jose, CA  
Telephone: (408) 995-5115  
Facsimile: (408) 975-4648

**If to PCF:**

General Counsel  
Calpine Corporation  
50 W. San Fernando Street  
San Jose, CA  
Telephone: (408) 995-5115  
Facsimile: (408) 975-4648

**If to Gilroy:**

General Counsel  
Calpine Corporation  
50 W. San Fernando Street  
San Jose, CA  
Telephone: (408) 995-5115  
Facsimile: (408) 975-4648

8.4 Severability. In the event that any of the terms, covenants or conditions of this Settlement Agreement, or the application of any such term, covenant or condition, shall



be held invalid as to any person or circumstance by any court, regulatory agency, or other regulatory body having jurisdiction, all other terms, covenants or conditions of this Settlement Agreement and their application shall not be affected thereby, but shall remain in force and effect unless a court, regulatory agency, or other regulatory body holds that the provisions are not separable from all other provisions of this Settlement Agreement.

8.5 Governing Law. To the extent not governed by federal law, this Settlement Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to the conflict of laws principles thereof.

8.6 Entire Agreement. This Settlement Agreement and Amendment 1 and Amendment 2, as applicable, constitute the entire agreement between the Parties with respect to the subject matter hereof and there are no agreements, understandings, representations or warranties between the Parties other than those set forth or referred to herein. Each of the Parties expressly disclaims any reliance upon any representations or warranties not stated herein.

8.7 Successors and Assigns. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

8.8 No Third-Party Beneficiaries. This Settlement Agreement is not intended to confer upon any person or entity that is not a Party any rights or remedies hereunder, and no one, other than a Party is entitled to rely on any representation, warranty, covenant, release, waiver or agreement contained herein. Moreover, except for the purpose of enforcing the terms and conditions of this Settlement Agreement as between and among the Parties, nothing herein shall establish any precedents as between the Parties and any third parties as to the resolution of any dispute that is not resolved in this Settlement Agreement.

8.9 No Waiver. None of the Parties waives any claim or right in the Seller's Choice Proceeding concerning issues other than the issues that are the subject of this Settlement Agreement by entering into this Settlement Agreement and Amendment 1 or Amendment 2, as applicable.

8.10 Dispute Resolution. Except for any Physical Validation Rule Dispute (as defined in Amendment 1 and Amendment 2), the Parties agree that any dispute between the Parties arising out of or relating to this Settlement Agreement shall subject to the dispute resolution procedures provided in Section 10.12 of the Master Agreement.

8.11 Costs. Each of the Parties shall pay its own costs and expenses, including attorneys' fees, incurred in connection with the disputes that are settled herein and the negotiation, preparation and implementation of this Settlement Agreement and Amendment 1 and Amendment 2.

8.12 Counterparts. This Settlement Agreement may be executed in one or more counterparts, all of which will be considered one and the same agreement and shall be considered executed when one or more counterparts have been signed by each of the Parties and delivered, including by facsimile, to the other Parties.

8.13 Modifications. This Settlement Agreement may be modified only if in writing and signed by CDWR and, as applicable, Calpine, Gilroy and/or PCF. No waiver of any provision of this Settlement Agreement or departure from any term of this Settlement Agreement shall be effective unless in writing and signed by the applicable Parties.

8.14 Headings; Rules of Interpretation. The headings or titles of Articles or Sections used in this Settlement Agreement are for convenience only and shall be disregarded in interpreting this Settlement Agreement. The following rules of interpretation shall apply to this Settlement Agreement, including all Exhibits: (i) words used in this Settlement Agreement shall include in the singular number the plural and in the plural number the singular; (ii) the words "below," "hereof," "herein," and "hereunder" and words of similar import when used in this Settlement Agreement, including the Exhibits, shall, unless otherwise specified, refer to this Settlement Agreement as a whole and not to any particular Article, Section, Exhibit or provision of this Settlement Agreement, and all references to Articles, Sections or Exhibits shall be to all subparts of such Articles, Sections or Exhibits; (iii) all Exhibits shall be deemed to be incorporated by reference and made a part of this Settlement Agreement; (iv) whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine and neuter forms; (v) when used herein, the words "include," "includes" and "including" shall not be limiting and shall be deemed in all instances to be followed by the phrase "without limitation;" and (vi) except as expressly otherwise provided herein, a reference to any statute, regulation, proclamation, ordinance or law includes all statutes, regulations, proclamations, amendments, ordinances or laws varying, consolidating or replacing the same from time to time, and a reference to a statute includes all regulations, policies, protocols, codes, proclamations and ordinances issued or otherwise applicable under that statute unless, in any such case, otherwise expressly provided in any such statute or in the document in which the reference is contained.

8.15 Parties Represented by Counsel. The Parties acknowledge that they have sought the advice of, and have been advised by, legal counsel of their choice in connection with the negotiation of this Settlement Agreement.

8.16 Drafting of Agreement. The Parties acknowledge that (i) this Settlement Agreement is the result of negotiations among, and has been reviewed by, each Party and its respective counsel, and (ii) each Party contributed to the drafting of this Settlement Agreement. Accordingly, this Settlement Agreement shall be deemed to be the product of each Party, and no ambiguity shall be construed in favor of or against any Party.

[THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK]

IN WITNESS WHEREOF, the Parties have caused this Settlement Agreement to be executed by their duly authorized representatives as of the 6th day of April 2005.

DEPARTMENT OF WATER RESOURCES with respect to the Department of Water Resources Electric Power Fund separate and apart from its powers and responsibilities with respect to the State Water Resources Development System

Original signed by

By: \_\_\_\_\_  
Name: PETER J GARRIS  
Title:

CALPINE ENERGY SERVICES, L.P.

Original signed by

By: \_\_\_\_\_  
Name: ROBERT KELLY  
Title: EXECUTIVE VP

POWER CONTRACT FINANCING, L.L.C.

Original signed by

By: \_\_\_\_\_  
Name: ERIC PRYOR  
Title: SENIOR VP

GILROY ENERGY CENTER, LLC

Original signed by

By: \_\_\_\_\_  
Name: ROBERT KELLY  
Title: EXECUTIVE VP

EXHIBIT A  
AMENDMENT 1

[attach]

**EXHIBIT B**  
**AMENDMENT 2**

[attach]

**EXHIBIT C**  
**MOTION TO HOLD SELLER'S CHOICE PROCEEDING IN ABEYANCE**

[attach]

**EXHIBIT D**  
**OFFER OF SETTLEMENT**

[attach]

**EXHIBIT E**  
**MOTION TO DISMISS CALPINE 3 AND CALPINE 4**

[attach]